

# PMAC, LTD.

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American Extruded Products "Amerex"  
Metal Finishing Services  
Special Bar Products

January 4, 2002

**Ms. Gloria Blue**

Executive Secretary  
Trade Policy Staff Committee  
Office of the United States Trade Representative  
Room 501  
600 17<sup>th</sup> Street, NW  
Washington, DC 20508

**Attention: Mr. Andrew Stephens, Director for Steel Trade Policy**

Dear Ms. Blue,

PMAC Ltd. is a Beaver Falls, Pa. producer of carbon steel light shapes through its American Extruded Products and Metal Finishing Services business units. The domestic producers of light shapes (not including hot rolled) extruders alone have sufficient production capacity in-place to supply the domestic requirements of these products by an order of magnitude at least five times. American Extruded Products (*Amerex*) capacity alone is 8,500 to 14,000 tons depending on the product mix. Our current utilization is less than 25%. In addition to Amerex, other domestic shape extruders include ALTX, Inc., Plymouth Tube, Extrusion Technology (RMI), and Wyman Gordon.

The effects of imports on the domestic producers have resulted in layoffs and reduction of margin to the point that if there is a continuation of the current situation, one or more extruders will be forced to close. Inferences have been made that the poor competitive position of domestic firms is a result of legacy costs. Amerex does not have this problem having operated since 1994 nor does it support any debt load as it is completely self-financed by the investors. Therefore we are a low cost producer by any market standards. Yet in a market where the imported product continues to enter this country at prices which are clearly predatory it matters little how much of a low cost producer we are. We will not be able to sustain our business.

Please do not be dissuaded by arguments relative to available capacity or price from domestic supplier. We have the capacity and are as cost effective in producing the products as anyone.

Regards,

Arthur G. Hinze  
Executive Vice President  
PMAC, Ltd.